

Condensed Consolidated Statements of Profit or Loss and Other Comprehensive Income
For the quarter ended 30 April 2016

	(UNAUDITED)		(UNAUDITED)	
	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/04/2016 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2015 RM'000	CURRENT YEAR TO DATE 30/04/2016 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2015 RM'000
Revenue	110,238	176,747	416,913	622,980
Cost of sales	(98,623)	(134,447)	(343,425)	(501,231)
Gross Profit	11,615	42,300	73,488	121,749
Other income	4,459	5,585	11,538	16,381
Administrative expenses	(17,686)	(24,336)	(44,797)	(61,583)
Selling and distribution expenses	(12,204)	(14,647)	(41,646)	(51,900)
Other expenses	(810)	(2,535)	(4,730)	(7,605)
Operating (Loss)/Profit	(14,626)	6,367	(6,147)	17,042
Finance costs	(4,476)	(4,748)	(12,749)	(11,386)
(Loss)/Profit before tax	(19,102)	1,619	(18,896)	5,656
Income tax expenses	5,234	1,088	3,294	300
(Loss)/Profit for the period	(13,868)	2,707	(15,602)	5,956
Other Comprehensive Income				
Other comprehensive income, net of tax, will not be reclassified to profit or loss in subsequent periods:				
Changes in fair value of equity instruments	1,621	(20)	622	(17,635)
Total comprehensive income for the period	(12,247)	2,687	(14,980)	(11,679)
(Loss)/Profit net of tax attributable to:				
Owners of the parent	(13,868)	2,707	(15,602)	5,956
Non-controlling interests	-	-	-	-
	(13,868)	2,707	(15,602)	5,956
Total comprehensive income attributable to:				
Owners of the parent	(12,247)	2,687	(14,980)	(11,679)
Non-controlling interests	-	-	-	-
	(12,247)	2,687	(14,980)	(11,679)
	Sen	Sen	Sen	Sen
Earnings per share attributable to				
Owners of the parent:				
- Basic	(7.37)	1.44	(8.29)	3.16
- Diluted	N/A	N/A	N/A	N/A

Note: N/A: Not Applicable

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 July 2015 and the accompanying explanatory notes attached to the quarterly report.



Condensed Consolidated Statements of Financial Position

As At 30 April 2016

	(UNAUDITED) AS AT END OF CURRENT QUARTER 30/04/2016 RM'000	(AUDITED) AS AT PRECEDING FINANCIAL YEAR END 31/07/2015 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	577,625	614,522
Prepaid land lease payments	88,139	91,446
Land held for property development	5,966	-
Biological assets	191,741	165,258
Investment properties	18,431	24,496
Investment securities	42,951	16,286
Intangible assets	5,151	9,881
Long term receivable	2,591	5,313
Deferred tax assets	19,513	21,774
	<u>952,108</u>	<u>948,976</u>
Current assets		
Inventories	202,869	178,087
Trade and other receivables	87,822	84,151
Other current assets	10,146	6,270
Cash and bank balances	56,895	56,277
	<u>357,732</u>	<u>324,785</u>
TOTAL ASSETS	<u>1,309,840</u>	<u>1,273,761</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent:		
Share capital	209,000	209,000
Share premium	59,680	59,680
Treasury shares	(55,158)	(55,158)
Retained earnings	463,183	478,785
Other reserves	(18,176)	(18,798)
	<u>658,529</u>	<u>673,509</u>
Non-controlling interests	960	(40)
Total equity	<u>659,489</u>	<u>673,469</u>
Non-current liabilities		
Loans and borrowings	108,643	157,020
Deferred tax liabilities	15,840	20,626
	<u>124,483</u>	<u>177,646</u>
Current liabilities		
Loans and borrowings	398,525	279,994
Trade and other payables	126,905	137,877
Income tax payable	438	4,775
	<u>525,868</u>	<u>422,646</u>
Total liabilities	<u>650,351</u>	<u>600,292</u>
TOTAL EQUITY AND LIABILITIES	<u>1,309,840</u>	<u>1,273,761</u>
Net assets per share attributable to ordinary equity holders of the Parent (RM)	3.51	3.58
Number of shares net of treasury shares ('000)	188,124	188,124

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 July 2015 and the accompanying explanatory notes attached to the quarterly report.



Condensed Consolidated Statements of Changes in Equity
For the quarter ended 30 April 2016

	↔ Attributable to Equity Holders of the Parent ↔					↔	↔	
	↔ Non-Distributable ↔			↔ Distributable ↔				
	Share capital	Share premium	Treasury shares	Other reserves	Retained earnings	Total	Non- controlling interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Nine Months								
<u>Ended 30 April 2016</u>								
Balance as at 1 August 2015	209,000	59,680	(55,158)	(18,798)	478,785	673,509	(40)	673,469
Loss for the financial period	-	-	-	-	(15,602)	(15,602)	-	(15,602)
Other comprehensive income	-	-	-	622	-	622	-	622
Total comprehensive income	-	-	-	622	(15,602)	(14,980)	-	(14,980)
Capital contributed by non-controlling interest in a subsidiary	-	-	-	-	-	-	1,000	1,000
Balance as at 30 April 2016	<u>209,000</u>	<u>59,680</u>	<u>(55,158)</u>	<u>(18,176)</u>	<u>463,183</u>	<u>658,529</u>	<u>960</u>	<u>659,489</u>
Nine Months								
<u>Ended 30 April 2015</u>								
Balance as at 1 August 2014	209,000	59,680	(55,148)	6,743	485,629	705,904	(33)	705,871
Profit for the financial period	-	-	-	-	5,956	5,956	-	5,956
Other comprehensive income	-	-	-	(17,635)	-	(17,635)	-	(17,635)
Total comprehensive income	-	-	-	(17,635)	5,956	(11,679)	-	(11,679)
Purchase of treasury shares	-	-	(10)	-	-	(10)	-	(10)
Balance as at 30 April 2015	<u>209,000</u>	<u>59,680</u>	<u>(55,158)</u>	<u>(10,892)</u>	<u>491,585</u>	<u>694,215</u>	<u>(33)</u>	<u>694,182</u>

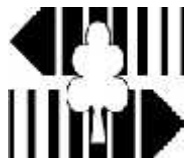
The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2015 and the accompanying explanatory notes attached to the quarterly report.



Condensed Consolidated Statements of Cash Flows
For the quarter ended 30 April 2016

	(UNAUDITED) CURRENT YEAR-TO-DATE 30/04/2016 RM'000	(UNAUDITED) CORRESPONDING YEAR-TO-DATE 30/04/2015 RM'000
Cash Flows from Operating Activities		
(Loss)/profit before taxation	(18,896)	5,656
Adjustments for :		
Amortisation of biological assets	3,802	3,413
Amortisation of prepaid land lease payments	3,307	2,909
Amortisation of intangible assets	4,730	7,605
Depreciation of property, plant and equipment	62,215	64,968
Depreciation of investment properties	99	66
Dividend income	(3)	(9)
(Gain)/loss on disposal of property, plant and equipment	(1,894)	3,444
Property, plant and equipment written off	525	449
(Reversal of)/ inventory written down	(812)	502
Unrealised foreign exchange (gain)/loss	(688)	2,188
Interest expense	12,749	11,386
Interest income	(701)	(965)
Operating cash flows before changes in working capital	<u>64,433</u>	<u>101,612</u>
Changes in working capital :		
Increase in inventories	(23,970)	(8,385)
Increase in trade and other receivables	(262)	(47,594)
Increase in other current assets	(3,299)	(1,229)
Decrease in trade and other payables	(10,972)	(29,513)
Cash flows from operations	<u>25,930</u>	<u>14,891</u>
Interest paid	(12,749)	(11,386)
Taxes paid, net of refund	(4,144)	(8,346)
Net cash flows from/(used in) operating activities	<u>9,037</u>	<u>(4,841)</u>
Cash Flows from Investing Activities		
Dividend received	3	9
Additions of biological assets	(30,285)	(20,984)
Purchase of property, plant and equipment	(27,874)	(62,250)
Purchase of investment securities	(26,043)	(6,000)
Proceeds from disposal of property, plant and equipment	7,484	7,453
Interest received	701	965
Net cash flows used in investing activities	<u>(76,014)</u>	<u>(80,807)</u>
Cash Flows from Financing Activities		
Proceeds from drawdown of term loan	-	15,300
Drawdown of revolving credit	118,000	124,500
Purchase of treasury shares	-	(10)
Proceeds from bankers' acceptance	6,758	14,000
Repayment of hire purchase liabilities	(43,467)	(48,131)
Repayment of term loan	(13,946)	(15,155)
Capital contribution of non-controlling interests	250	-
Dividends paid	-	(9,406)
Net cash flows from financing activities	<u>67,595</u>	<u>81,098</u>
Net increase/(decrease) in cash and cash equivalents	<u>618</u>	<u>(4,550)</u>
Cash and cash equivalents at beginning of period	<u>56,277</u>	<u>88,252</u>
Cash and cash equivalents at end of period	<u>56,895</u>	<u>83,702</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 July 2015 and the accompanying explanatory notes attached to the quarterly financial report.



NOTES :

Note 1 Basis of Preparation

The quarterly report is unaudited and has been prepared in accordance with FRS 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The quarterly report should be read in conjunction with the Group’s audited financial statements for the year ended 31 July 2015. These explanatory notes attached to the quarterly report provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the year ended 31 July 2015.

Note 2 Changes in Accounting Policies

The significant accounting policies adopted in the quarterly report are consistent with those adopted in the Group’s audited financial statements for the financial year ended 31 July 2015, except for the adoption of the following standards and amendments and interpretations which are relevant to the Group for the financial year beginning 1 August 2015:

FRS effective for financial periods beginning on or after 1 January 2016

- Annual Improvements to FRSs 2012 - 2014 Cycle
- Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to FRS 10, FRS 12 and FRS 128: Investments Entities – Applying the Consolidation Exception
- Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint Operations
- Amendments to FRS 101: Disclosure Initiatives
- Amendments to FRS 127: Equity Method in Separate Financial Statements
- FRS 14 Regulatory Deferral Accounts

The adoption of the above standards and amendments are not expected to have any material impact on the financial statements of the Group.

Note 3 Auditors’ Report on Preceding Annual Financial Statements

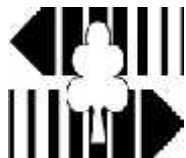
The auditors’ report on the financial statements for the year ended 31 July 2015 was not qualified.

Note 4 Seasonal or Cyclical factors

Timber operations are, to a certain extent, affected by weather condition especially for logging operations. In addition, the four seasons also had some impact on the buying patterns of traditional buyers of timber products.

Note 5 Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows for the period under review.



Note 6 Changes in Estimates

There were no changes in estimates that have had a material effect on the results of the Group for the period under review.

Note 7 Debt and Equity Securities

During the current quarter and financial year-to-date, a total of 100 shares and 200 shares of RM1.00 each were purchased and retained as treasury shares. The monthly breakdown of shares bought back were as follows:

Month	No. of shares	Purchase price per share		Average price per share RM	Total cost RM
		Lowest	Highest		
		RM	RM		
September 2015	100	1.62	1.62	1.62	203
March 2016	100	1.72	1.72	1.72	213
TOTAL	200	1.62	1.72	1.67	416

All the shares purchased to-date were held as treasury shares in accordance with the requirements of Section 67A of the Companies Act 1965. As at 30 April 2016, the number of shares retained as treasury shares amounted to 20,876,100. There has been no resale or cancellation of treasury shares during the period under review.

Apart from the above, there were no issuances and repayments of debt and equity securities for the period under review.

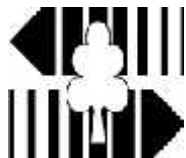
Note 8 Dividends Paid

There were no dividends paid during the period under review.

Note 9 Segmental Information

Segmental revenue and profit before taxation for the current financial year-to-date and preceding year corresponding period by the respective operating segments as follows:

	Financial year-to-date ended			
	30.04.2016		30.04.2015	
	Revenue	Profit/(Loss) Before Tax	Revenue	Profit/(Loss) Before Tax
	RM'000	RM'000	RM'000	RM'000
Timber	380,363	(19,693)	592,164	9,685
Plantation	36,249	5,128	30,805	(3,687)
Others	301	(4,331)	11	(342)
	<u>416,913</u>	<u>(18,896)</u>	<u>622,980</u>	<u>5,656</u>



Note 9 Segmental Information (cont'd)

The Group is organised into business units based on their products and services, and has three reportable operating segments as follows:

The timber segment is involved in extraction, sale of logs, subcontractor for tree planting (reforestation), manufacturing and trading of plywood, particleboard, sawn timber, charcoal and supply of electricity for its manufacturing activities.

The plantation segment is involved in cultivation of oil palm and sales of fresh fruit bunch.

The others segment is involved in sales of grocery, manufacturing and trading of drinking water, provision of towage and transportation services, insurance services, property holding and development.

Note 10 Valuations of Property, Plant and Equipment

There has been no valuation undertaken for the Group's property, plant and equipment since the last annual financial statements.

Note 11 Subsequent Events

On 8 June 2016, the Company acquired 100% equity interest in Hahn Fert Sdn. Bhd., a company incorporated in Malaysia, for a total cash consideration of RM2.

Note 12 Changes in the Composition of the Group

On 5 August 2015, the Company acquired 100% equity interest in Subur Properties Sdn. Bhd., Prestige Superland Sdn. Bhd. and Tiasa Heights Sdn. Bhd., are companies incorporated in Malaysia, for a total cash consideration of RM2 each.

On 7 September 2015, the Company acquired 100% equity interest in Subur Tiasa R&D Sdn. Bhd., a company incorporated in Malaysia, for a total cash consideration of RM2.

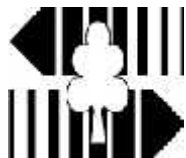
On 23 December 2015, the Company acquired 100% equity interest in Subur Global Pte. Ltd., a company incorporated in Singapore, for a total cash consideration of SGD1.

On 3 February 2016, the Company acquired 100% equity interest in LX Photonics Sdn. Bhd., a company incorporated in Malaysia, for a total cash consideration of RM2.

Note 13 Changes in Contingent Liabilities and Contingent Assets

The contingent liabilities represent corporate guarantees in respect of banking facilities granted to subsidiary companies.

The amount of banking facilities utilised which were secured by corporate guarantees increased by RM17,019,000 from RM213,210,000 as at 31 July 2015 (last annual balance sheet) to RM230,229,000 as at 30 April 2016.



Note 14 Capital Commitments

	As at 30.04.2016 RM'000	As at 31.07.2015 RM'000
Approved and contracted for	19,455	26,275
Approved but not contracted for	<u>3,670</u>	<u>5,672</u>
	<u>23,125</u>	<u>31,947</u>
Analysed as follows:		
Property, plant and equipment	19,806	25,730
Investment properties	<u>3,319</u>	<u>6,217</u>
	<u>23,125</u>	<u>31,947</u>

Note 15 Review of Performance

(a) Comparison of Results with Previous Corresponding Quarter

For the quarter ended 30 April 2016, the Group recorded revenue of RM110.2 million and loss before tax of RM19.1 million as compared to revenue of RM176.7 million and profit before tax of RM1.6 million respectively in the previous corresponding quarter.

The loss before tax was mainly due to:

- Lower average FOB export selling price of logs, plywood and sawn timber
- Higher raw material costs for manufacturing of timber products
- Higher volume of fertilizer being applied to higher acreage of mature palm trees in oil palm plantation

(b) Comparison of Results with Previous Year-to-date

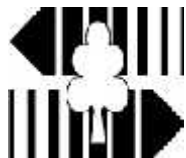
For the financial year-to-date, the Group registered revenue of RM416.9 million and loss before tax of RM18.9 million as compared to revenue of RM623.0 million and profit of RM5.7 million in the preceding year corresponding period.

The loss was mainly due to:

- Decrease in export sales volume for logs and timber products
- Increase in raw material costs for timber products
- Higher overhead unit cost for logging operation and manufacturing of timber products

Note 16 Variation in the Quarterly Results Compared to the Results of the Immediate Preceding Quarter

The Group's revenue decreased from RM161.5 million in the immediate preceding quarter to RM110.2 million in the current quarter. The Group reported loss before tax of RM19.1 million as compared to loss before tax of RM0.8 million in the immediate preceding quarter mainly due to lower export sales volume of logs and timber products, lower average export selling price and higher raw material costs for manufacturing of timber products.



Note 17 Commentary on Prospects

The slowdown in global economy is expected to continue in year 2016. This together with current low commodity prices will have negative impact on the global outlook.

Nevertheless, in view of prevailing tight supply of logs and strong US Dollar against Ringgit Malaysia, logs prices are expected to be favorable.

The upcoming peak crop season will see increase in FFB production in our oil palm plantation. This segment is expected to contribute positively to the Group as the El Nino's dry weather effects have reduced global CPO output thus pushing CPO price up. The quantum of profit contribution is closely dependent on the movement of CPO price which is also correlated to the price movement of world edible oil.

The Group will focus on improving the existing business while diversifying into other businesses in order to deliver sustainable profitability and continual growth of the organization. The Group is committed to streamlining its operations strategically and synergistically, maximizing the utilization of resources, optimizing the integrated supply chain and strengthening products branding.

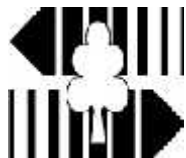
Note 18 Financial Estimate, Forecast, Projection or Internal Targets

The disclosure requirements for explanatory notes on the variation of actual profit after tax and profit forecast stated in the financial estimate, forecast, projection or internal targets and shortfall in profit guarantee are not applicable.

Note 19 (Loss)/Profit Before Taxation

Profit before taxation was derived after taking into consideration of the following:

	Quarter ended		Financial year-to-date ended	
	30.04.2016	30.04.2015	30.04.2016	30.04.2015
	RM'000	RM'000	RM'000	RM'000
Amortisation and depreciation	22,437	26,271	74,153	78,961
Property, plant and equipment written off	6	259	525	449
Inventory/(Reversal of inventory) written down	109	1,190	(812)	502
Interest expenses	4,476	4,748	12,749	11,386
Interest income	(249)	(322)	(701)	(965)
(Gain)/loss on disposal of property, plant and equipment	(1,426)	1,344	(1,894)	3,444
Rental income	(90)	(57)	(214)	(286)
(Reversal of loss)/fair value loss on derivative financial instrument	-	(96)	-	-
Loss/(Gain) on foreign exchange				
- realised	4,253	(3,810)	2,389	(10,148)
- unrealised	(1,720)	2,457	(688)	2,188



Note 20 Taxation

The Group's taxation for the period under review was as follows:

	Quarter ended		Financial year-to-date ended	
	30.04.2016 RM'000	30.04.2015 RM'000	31.01.2016 RM'000	30.04.2015 RM'000
Income tax:				
Current period provision	1,248	2,889	3,603	9,096
Over provision in prior year	(4,373)	(1,976)	(4,373)	(1,976)
Deferred tax:				
Current period provision	(2,109)	(2,001)	(2,524)	(7,420)
	<u>(5,234)</u>	<u>(1,088)</u>	<u>(3,294)</u>	<u>(300)</u>

Income tax expense is recognised in each quarter based on the best estimate of the weighted average annual income tax rate expected for the full financial year.

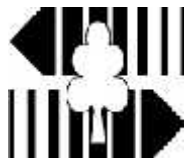
Note 21 Status of Corporate Proposals

There were no outstanding corporate proposals that have been announced but not completed as at the date of this announcement.

Note 22 Borrowings and Debt Securities

		As at 30.04.2016 RM'000	As at 31.07.2015 RM'000
Short term borrowings:			
Unsecured	- Bankers' acceptance	30,428	23,670
	- Revolving credit	298,000	180,000
Secured	- Term loans	15,717	18,975
	- Hire purchase obligations	54,380	57,349
		<u>398,525</u>	<u>279,994</u>
Long term borrowings:			
Secured	- Term loans	76,414	87,102
	- Hire purchase obligations	32,229	69,918
		<u>108,643</u>	<u>157,020</u>
Total borrowings		<u>507,168</u>	<u>437,014</u>

There were no borrowings denominated in foreign currency.



Note 23 Fair Value of Financial Liabilities

The Group has entered into forward foreign exchange contracts to limit its exposure on foreign currency receipts, when it is deemed necessary.

As at 30 April 2016, there was no outstanding foreign exchange contracts.

There was no significant change for the financial derivatives in respect of the followings since the last financial year ended 31 July 2015:

- (a) the credit risk, market risk and liquidity risk associated with these financial derivatives;
- (b) the cash requirements of the derivatives;
- (c) the policies in place for mitigating or controlling the risks associated with these financial derivative; and
- (d) the related accounting policies.

Note 24 Profit/Loss Arising from Fair Value Changes of Financial Liabilities

There were no gains or losses arising from fair value changes of financial liabilities for the current quarter ended 30 April 2016.

Note 25 Realised and Unrealised Profits/Losses Disclosure

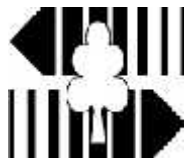
	As at 30.04.2016 RM'000	As at 31.07.2015 RM'000
Total retained profits of Subur Tiasa Holdings Berhad and its subsidiaries:		
- Realised	470,881	476,672
- Unrealised	4,360	1,030
	<u>475,241</u>	<u>477,702</u>
Less: Consolidation adjustments	(12,058)	1,083
Total Group retained profits as per consolidated accounts	<u>463,183</u>	<u>478,785</u>

Note 26 Changes in Material Litigation

There was no pending material litigation as at the date of this announcement.

Note 27 Dividend Payable

The Board of Directors did not declare any dividend for the quarter ended 30 April 2016 (previous corresponding period: Nil).



Note 28 Earnings/(Loss) Per Share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to ordinary equity holders of the Company over the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	Quarter ended 30.04.2016	Financial year- to-date ended 30.04.2016
Loss for the period attributable to ordinary equity holders of the Company (RM'000)	(13,868)	(15,602)
Weighted average number of ordinary shares in issue excluding treasury shares ('000)	188,124	188,124
Basic loss per share (Sen)	(7.37)	(8.29)

(b) Diluted earnings per share

N/A

Note 29 Authorisation for Issue

The quarterly report was authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 June 2016.